

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 57

BY EDUCATION COMMITTEE

AN ACT

RELATING TO THE IDAHO DIGITAL LEARNING ACADEMY; AMENDING SECTION 33-1228, IDAHO CODE, TO PROVIDE THAT PUBLIC SCHOOL EMPLOYMENT SHALL BE DEFINED TO INCLUDE THE EMPLOYEES OF THE IDAHO DIGITAL LEARNING ACADEMY AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION 33-5503, IDAHO CODE, TO REVISE THE MAKEUP OF THE IDAHO DIGITAL LEARNING ACADEMY BOARD OF DIRECTORS AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 33-5504A, IDAHO CODE, TO REVISE STATUTORY PROVISIONS REGARDING THE IDAHO DIGITAL LEARNING ACADEMY CONCERNING SICK LEAVE AND SEVERANCE ALLOWANCE AT RETIREMENT; DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE APPLICATION.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 33-1228, Idaho Code, be, and the same is hereby amended to read as follows:

33-1228. SEVERANCE ALLOWANCE AT RETIREMENT. (1) Upon separation from public school employment by retirement in accordance with chapter 13, title 59, Idaho Code, an employee's unused sick leave shall be determined based on accumulated sick leave earned subsequent to July 1, 1976, as provided by section 33-1218, Idaho Code, and shall be reported by the employer to the Idaho public employee retirement system. A sum equal to one-half (1/2) of the monetary value of such unused sick leave, calculated at the rate of pay for such employee at the time of retirement, as determined by the retirement board, shall be transferred from the sick leave account provided by subsection (23) of this section and shall be credited to such employee's retirement account. Such sums shall be used by the retirement board to continue to pay, subject to applicable federal tax limits:

(a) Premiums for the retiree and the retiree's dependents at the rate for the active employee's group health, long-term care, vision, prescription drug and dental insurance programs as maintained by the employer for the active employees until the retiree and/or the retiree's spouse becomes eligible for medicare at which time the district shall make available a supplemental program to medicare for the eligible individual. Upon the death of the retiree the surviving spouse's health coverage shall be available and continued under the same terms and conditions as the retiree. Coverage may be continued for the retiree's surviving dependent spouse and dependents until remarriage of the spouse or until the retiree's surviving dependent spouse is eligible for a group health program by an employer. The medicare supplement program will provide the same premium and benefits for all retirees of all the employers served by the same insurance carrier. However, a school district may make available to all retirees from that district other

benefits in addition to the medicare supplement program and the retiree or the district shall pay for such additional benefits.

(b) Premiums at the time of retirement for the retiree for the life insurance program maintained by the employer which may be reduced to a minimum of five thousand dollars (\$5,000) of coverage.

(2) The retiree may continue to pay the premiums for the health, accident, dental and life insurance to the extent of the funds credited to the employee's account pursuant to this section and when these funds are expended the premiums may be deducted from the retiree's allowance. Upon a retiree's death, any unexpended sums remaining in the retiree's account shall revert to the sick leave account. If funds are not available for payment by the Idaho public employee retirement system from the retiree's surviving dependent spouse's allowance, the insurance carrier shall implement a direct billing procedure to permit the retiree's surviving spouse to continue coverage.

(3) Each employer shall contribute to a sick leave account maintained by the public employee retirement system in trust exclusively for the purpose of the provisions of this section. The retirement board shall serve as trustee of the trust and shall be indemnified to the same extent as provided in section 59-1305, Idaho Code. Assets in the trust shall not be assignable or subject to execution, garnishment or attachment or to the operation of any bankruptcy or insolvency law. The rate of such contribution each pay period shall consist of a percentage of employees' salaries as determined by the board, and such rate shall remain in effect until next determined by the board. Any excess balance in the sick leave account shall be invested, and the earnings therefrom shall accrue to the sick leave account except the amount required by the board to defray administrative expenses. Assets of the trust may be commingled for investment purposes with other assets managed by the retirement board. All moneys payable to the sick leave account are hereby perpetually appropriated to the board, and shall not be included in its departmental budget.

(4) For purposes of this section public school employment shall be defined to include the employees of the Idaho digital learning academy, and to permit inclusion of employees of organizations funded by school districts or of contributions of employees of school districts.

SECTION 2. That Section 33-5503, Idaho Code, be, and the same is hereby amended to read as follows:

33-5503. ACADEMY BOARD OF DIRECTORS. (1) There is hereby created an academy board of directors which shall be responsible for the development and oversight of the Idaho digital learning academy.

(2) The academy board of directors shall be comprised of eight (8) voting members and one (1) nonvoting member as follows:

(a) Three (3) members shall be superintendents, each elected to a three (3) year term and each representing two (2) educational classification regions as established by the state board of education. One (1) superintendent shall be elected from among the superintendents in regions one and two on a rotating term basis between the two (2) regions; one (1) superintendent shall be elected from among the superintendents in regions three and four on a rotating term basis between the two (2) regions; and one (1) superintendent shall be elected from among the superintendents in regions five and six on a rotating term basis between the two (2) regions;

(b) Two (2) members shall be ~~high school~~ principals, each elected to a three (3) year term by the governing body of the Idaho association of ~~secondary~~ school administrators;

(c) Two (2) members shall be citizens at-large who are not professional educators, appointed by the members of the academy board, each to a term of three (3) years; ~~and~~

(d) The state superintendent of public instruction shall be a voting member and shall serve concurrently with the term of office to which the state superintendent is elected; and

(e) One (1) member shall be an ex officio, nonvoting member appointed by the academy board of directors to serve as secretary to the academy board.

(3) For purposes of establishing staggered terms of office, the initial term of office for the superintendent position representing educational classification regions one and two shall be one (1) year, and thereafter shall be three (3) years. The initial term of office for the superintendent position representing educational classification regions three and four shall be two (2) years, and thereafter shall be three (3) years. The superintendent position representing educational classification regions five and six shall be three (3) years. The initial term of office for one (1) ~~high school~~ principal position shall be one (1) year and thereafter shall be three (3) years, and the initial term of office for the other ~~high school~~ principal position shall be two (2) years and thereafter shall be three (3) years. The initial term of office for one (1) member at-large shall be one (1) year and thereafter shall be three (3) years, and the term of office for the other member at-large shall be three (3) years.

(4) No voting member shall serve for more than two (2) consecutive full terms. Members of the board who are appointed to fill vacancies which occur prior to the expiration of a former member's full term shall serve the unexpired portion of such term.

(5) The board shall meet in person at least three (3) times annually; none of these three (3) meetings shall be conducted by telephone or video conferencing.

SECTION 3. That Section 33-5504A, Idaho Code, be, and the same is hereby amended to read as follows:

33-5504A. GOVERNMENTAL ENTITY ~~—LIABILITY—INSURANCE~~. (1) The Idaho digital learning academy shall be a governmental entity as provided in section 33-5502, Idaho Code. For the purposes of section 59-1302(15), Idaho Code, the Idaho digital learning academy created pursuant to this chapter shall be deemed a governmental entity. Pursuant to the provisions of section 63-3622O, Idaho Code, sales to or purchases by the Idaho digital learning academy are exempt from payment of the sales and use tax. The Idaho digital learning academy, its employees and its board of directors are subject to the following provisions in the same manner as a traditional public school and the board of trustees of a school district:

(a) Sections 18-1351 through 18-1362, Idaho Code, on bribery and corrupt influence, except as provided by section 33-5204A(2), Idaho Code;

(b) Chapter 2, title 59, Idaho Code, on prohibitions against contracts with officers;

(c) Chapter 7, title 59, Idaho Code, on ethics in government;

(d) Chapter 23, title 67, Idaho Code, on open public meetings; ~~and~~

(e) Chapter 3, title 9, Idaho Code, on disclosure of public records;

(f) Section 33-1216, Idaho Code, on sick and other leave;

(g) Section 33-1217, Idaho Code, on accumulation of unused sick leave;

(h) Section 33-1218, Idaho Code, on sick leave in excess of statutory minimum amounts;

and

(i) Section 33-1228, Idaho Code, on severance allowance at retirement.

1 (2) The Idaho digital learning academy may sue or be sued, purchase, receive, hold and  
2 convey real and personal property for school purposes, and its employees, directors and officers  
3 shall enjoy the same immunities as employees, directors and officers of traditional public school  
4 districts and other public schools, including those provided by chapter 9, title 6, Idaho Code.

5 (3) The Idaho digital learning academy shall secure insurance for liability and property  
6 loss.

7 (4) It shall be unlawful for:

8 (a) Any director to have pecuniary interest directly or indirectly in any contract or  
9 other transaction pertaining to the maintenance or conduct of the Idaho digital learning  
10 academy, or to accept any reward or compensation for services rendered as a director  
11 except as may be otherwise provided in this subsection (4). The board of directors  
12 of the Idaho digital learning academy may accept and award contracts involving the  
13 Idaho digital learning academy to businesses in which the director or a person related  
14 to him by blood or marriage within the second degree of consanguinity has a direct or  
15 indirect interest, provided that the procedures set forth in section 18-1361 or 18-1361A,  
16 Idaho Code, are followed. The receiving, soliciting or acceptance of moneys of the  
17 Idaho digital learning academy for deposit in any bank or trust company, or the lending  
18 of moneys by any bank or trust company to the Idaho digital learning academy, shall  
19 not be deemed to be a contract pertaining to the maintenance or conduct of the Idaho  
20 digital learning academy within the meaning of this section; nor shall the payment of  
21 compensation by the Idaho digital learning academy board of directors to any bank or  
22 trust company for services rendered in the transaction of any banking business with the  
23 Idaho digital learning academy board of directors be deemed the payment of any reward  
24 or compensation to any officer or director of any such bank or trust company within the  
25 meaning of this section.

26 (b) The board of directors of the Idaho digital learning academy to enter into or execute  
27 any contract with the spouse of any member of such board, the terms of which said  
28 contract require, or will require, the payment or delivery of any Idaho digital learning  
29 academy funds, moneys or property to such spouse, except as provided in section 18-1361  
30 or 18-1361A, Idaho Code.

31 (5) When any relative of any director, or relative of the spouse of a director related by  
32 affinity or consanguinity within the second degree, is to be considered for employment in the  
33 Idaho digital learning academy, such director shall abstain from voting in the election of such  
34 relative, and shall be absent from the meeting while such employment is being considered and  
35 determined.

36 SECTION 4. An emergency existing therefor, which emergency is hereby declared to  
37 exist, Sections 1 and 3 of this act shall be in full force and effect on and after passage and  
38 approval, and retroactively to July 1, 2008. Section 2 of this act shall be in full force and effect  
39 on and after its passage and approval.